

FISCAL NOTE

SB 231 - HB 370

March 31, 2007

SUMMARY OF BILL: Changes the continuation requirements to 2.25 GPA for all HOPE Scholarship recipients.

ESTIMATED FISCAL IMPACT:

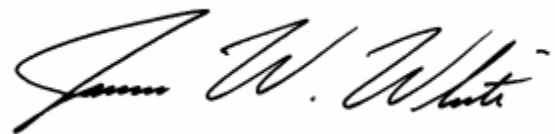
Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$13,483,800 in FY07-08 and by \$18,714,600 in FY08-09.

Assumptions:

- Based on data provided by THEC, the estimated number of students affected in year one by dropping the retention rate to 2.25 is 3,548.
- Four-year HOPE recipients - \$7,828,000 (2,060 x \$3,800).
- Four-year ASPIRE recipients - \$3,731,200 (704 x \$5,300).
- Two-year HOPE recipients - \$938,600 (494 x \$1,900).
- Two-year ASPIRE recipients - \$986,000 (290 x \$3,400).
- Total first year cost of \$13,483,800.
- The total number of students affected by dropping the retention rate to 2.25 in year two is estimated to be 4,893.
- Four-year HOPE recipients - \$11,172,000 (2,940 x \$3,800).
- Four-year ASPIRE recipients - \$5,278,800 (996 x \$5,300).
- Two-year HOPE recipients - \$1,254,000 (660 x \$1,900).
- Two-year ASPIRE recipients - \$1,009,800 (297 x \$3,400).
- Total second year cost of \$18,714,600.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director